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A funding strategy for the socio-economic and environmental recovery of countries affected by the Gulf crisis of 1990-1991

Report of the Administrator

The present document contains a report on the meeting held on 16 December 1991, organized in accordance with Governing Council decision 91/21. The meeting studied proposals for the socio-economic and environmental recovery of the countries affected by the impact of the Gulf crisis of 1990-1991, with a view to establishing a funding strategy. The report begins with a summary of discussions and then proposes a funding strategy.

1. Pursuant to Governing Council decision 91/21 of 25 June 1991 regarding the United Nations Development Programme (UNDP) Gulf Task Force, a meeting of the international community was convened in New York on 16 December 1991 with a view to establishing a funding strategy. The meeting based its discussions on Governing Council document DP/1992/4 "Proposals for the socio-economic and environmental recovery of countries affected by the impact of the Gulf crisis of 1990-1991: Overview".

2. As requested in decision 91/21, the proposals had been developed in consultation with donor countries, affected countries, relevant organs, organizations and bodies of the United Nations system, multilateral financial institutions and non-governmental organizations. The 16 December meeting was attended by representatives of 52 countries and 16 agencies. The discussion was well focused and representatives from 27 countries took the floor.

3. Introductory statements were made by the following: the President of the Governing Council, who chaired the meeting; the Associate Administrator; the Assistant Administrator and Regional Director of the Bureau for Arab States and Europe; the Director-General of the United Nations Office at Vienna, as Personal Representative of the Secretary-General to coordinate United Nations efforts to respond to the environmental impact on Kuwait and the region; the Executive Secretary of the Regional Organization for the Protection of the Marine Environment (ROPME); and a Senior Programme Officer from the United Nations Environment Programme (UNEP). The statements highlighted the impact of the Gulf crisis on affected countries and presented proposals for socio-economic and environmental recovery. Proposals for environmental rehabilitation, which became available just prior to the meeting, were the focus of the last three statements. Concluding remarks were made by the Assistant Administrator. The statements, detailed minutes of the meeting, and the list of participants are available separately.

I. SUMMARY OF DISCUSSIONS

4. All speakers welcomed the initiative and there was general agreement that the documentation provided a very useful reference for countries as they planned assistance for recovery from the Gulf crisis.

5. Many donor countries noted that the Gulf crisis had had a substantially negative impact, particularly with respect to the returnees and the environment, and that the needs were indeed very substantial. They emphasized that UNDP should concentrate on areas where it had a clear comparative advantage, particularly on regional programmes and projects, and on areas where no other agencies had competence. They felt that country needs could best be handled on a bilateral basis - as many donors were already doing and would continue to do. Several countries urged the use of existing UNDP resources where possible, including Special Programme Resources (SPR). Most of these speakers felt that the role of the UNDP Gulf Task Force had been accomplished with the presentation of the report before them, and did not see

a need for a central mechanism in UNDP. They did not believe a pledging conference would attract additional resources.

6. Three donor countries recalled the financial and material assistance already offered or proposed; in considering any further assistance, they would refer to information provided by the Gulf Task Force.

7. Several affected countries described the severity of the impact on their social and economic development. Many drew attention to the proposals available and called on the international community to support them. Representatives of countries from which no specific proposals had been presented in time for the meeting requested UNDP assistance in developing such proposals. One representative stated that his Government was finalizing proposals for presentation. Two countries urged that the impact of the Gulf crisis be made a criterion for the allocation of country indicative planning figures (IPFs) in the fifth programming cycle.

8. Some countries noted that the proposals required further refinement based on a unified methodology, one that should be tied to country and regional programmes. In some cases, speakers said, proposals were not clearly tied or specifically related to the Gulf crisis. Others requested that more importance be given to environmental issues. Another country noted that, although it was planning to commit further funds to the environment, a pledging conference was necessary since the needs were so great. A donor country indicated it would be studying the environmental rehabilitation programme very seriously in view of the extreme environmental damage.

II. PROPOSED FUNDING STRATEGY

9. Taking into account the views expressed above, the Administrator believes that a pledging conference based on the findings contained in document DP/1992/4 would not attract substantial additional funding.

10. The following funding strategy is therefore proposed, consisting of two components, i.e., country-specific and regional.

A. Country-specific component

11. Country-specific activities would continue to be handled bilaterally. In some cases additional resources could be made on the basis of proposals included in document DP/1992/4. Resident representatives would continue to assist countries, at their request, in aid coordination and in pursuing with the donor community proposals related to the Gulf crisis.

B. Regional component

12. Reflecting its comparative advantage, UNDP would concentrate its efforts on regional programmes and projects, as follows:

(a) Returnees. The $9.5 million UNDP/International Labour Organisation (ILO) regional proposal for human development/returnees covers all countries affected by large numbers of returnees in the Arab region and Asia. It would be further developed through contacts with Governments, non-governmental organizations (NGOs) and concerned agencies. Various funding mechanisms would be explored, including SPR and cost-sharing. The $3 million United Nations Development Fund for Woman (UNIFEM) proposal to assist women affected by the Gulf crisis in Jordan, Lebanon and Yemen, to which the Fund has already committed $1 million, is being developed based on discussions with Governments, national and regional institutions and NGOs in the three countries. Additional funds would be sought from the donor community and international organizations. A donor consultation could be convened on these two programmes to attract further funding;

(b) Trade and energy. Funding would be sought from the donor community and international and regional financial institutions for the $2.5 million regional proposal for the revival of trade in Central and Eastern Europe, as well as for the $0.5 million energy proposal;

(c) The environment. The Consolidated Rehabilitation Programme presented to the 16 December funding strategy meeting is an appropriate vehicle for the coordination of assistance in this regard, with ROPME playing the lead regional role. Under UNEP leadership, the Consolidated Rehabilitation Programme would be further refined, and the financial data consolidated. This process would involve coordination efforts by the Secretary-General's Personal Representative on Kuwait, as well as the participation of all the agencies involved in the United Nations Inter-Agency Plan of Action, including UNDP, which could be of particular assistance through its field office network.

13. At the same time, the countries of the region could finalize their commitments to the national and/or regional proposals collated in the Consolidated Rehabilitation Programme. Regional and interregional sources of funding could also be sought, including the Global Environment Facility. This could culminate in a donor consultation bringing together the countries of the region, the donor community, international organizations and multilateral financial institutions, regional institutions and the private sector.

III. CONCLUSION

14. Through the funding strategy presented above, it would be possible to reach many of the countries most seriously affected by the Gulf crisis. The involvement of UNDP in regional programmes would not only take advantage of

its strengths, it would also ensure coordination of funds and sharing of experience, thereby maximizing the recovery process.

15. The UNDP Gulf Task Force, its task complete, would no longer function after the special session of the Governing Council to be held in February 1992. Coordination of the activities in each area would be through the relevant UNDP units or the international or regional bodies concerned.

16. The Administrator recommends that the Governing Council endorse the approach outlined in the present document and that members support the implementation of these proposals.